

OPENING STATEMENT
of
ADA DEER, ASSISTANT SECRETARY - INDIAN AFFAIRS
on the
PROPOSED FY 1995 RESCISSIONS FOR THE BUREAU OF INDIAN AFFAIRS
before the
COMMITTEE ON INDIAN AFFAIRS
U.S. SENATE
March 20, 1995

Good afternoon, Mr. Chairman and Members of the Committee. I appreciate the opportunity to comment on the proposed rescissions of FY 1995 funds for Indian programs and the proposals to consolidate federal funding for Indian programs into block grants that would pass through the States.

I object to both proposals since they would undermine 20 years of federal policy towards Indian and Alaska native tribes. Indian self-determination policy is based on the unique government-to-government relationships between the Federal Government and Indian tribes. Many of our Indian tribes entered into their "Contract With America" through treaties signed over one-hundred years ago -- not this past November. This Congress shares with the Executive Branch the Nation's obligation to fulfill its treaty agreements and other statutory commitments to the tribes.

Operation of Indian Programs

H.R. 1158 would rescind \$4,046,000 in current budget authority from the Operation of Indian Programs appropriations, the Bureaus largest account. This would be a 2.7 percent reduction of the FY 1995 enacted level. The House report identifies rescissions of \$1,463,000 for the Special Tribal Courts program and \$2,583,000 for the Indian Business Development Grant program.

The rescission of funds for Special Tribal Courts will adversely impact tribes that need initial federal assistance to develop or enhance their judicial systems. Most of the FY 1995 appropriations are designated for tribes that had not previously received special grants, particularly tribes in California, Alaska, Oklahoma, and the Great Lakes region. The grants would be used by the tribal judiciaries to improve legal research and case management to expedite the adjudication of tribal laws violations and resolution of civil disputes. The tribes have no alternative federal or state grants for these purposes.

The Bureau would also be precluded from initiating the survey that is required by the Indian Tribal Justice Act of 1993 to assess the differing needs of the tribal justice systems. About \$400,000 of the Special Tribal Courts funds have been reserved for this study.

The Bureau has obligated \$1,566,000 of the Indian Business Development Grant funds that the House has proposed for rescission. If the remaining \$1,017,000 are rescinded, as many as 45

tribes and tribal members will be denied capital for economic development projects, such as the promotion of tourism on reservations. Since Indian Business Development Grants leverage other private sector financing, the tribes would forego about \$4,000,000 in new capital investments which would generate as many as 230 jobs on the reservations.

Under the present bill language, the Bureau would have to substitute other program reductions within the Operation of Indian Programs account to cover the \$1,566,000 that has already been obligated for Indian Business Development Grants.

Construction

The House also proposes to rescind \$10,309,000 in the Bureau's Construction account, mostly unobligated balances that remain available from appropriations made in previous years. The specific program amounts are: \$2,000,000 in Employee Housing, \$4,000,000 in contingency funds for Education Facilities Improvement and Repair, \$2,000,000 in Emergency Shelters, and \$1,409,000 in Fish Hatchery Rehabilitation.

The House report assumes that after these rescissions are made the Bureau will still have sufficient funds remaining to meet its construction demands. This is not true. There is a \$660 million backlog of unfunded projects just within the Facilities Improvement and Repair program. The infrastructures on Indian reservations will continue to decay if these reductions are enacted.

Block Grant Proposals

This Congress has begun debates on welfare reform and block grants that too often have overlooked tribal sovereignty and the government-to-government relationship between the United States and Indian tribes. I believe that Congress should outline a clear role for tribal governments consistent with the Indian self-determination policy.

Some State and tribal governments have established cooperative working relationships under the present Federal-State arrangements. Indian tribal members receive direct services from many federal programs that are administered by State agencies, such as Aid to Families With Dependent Children, Head Start, and job training. Too often, however, Indian tribes continue to experience inequity in the services available under State administered programs. Federal regulations may not be specific on the eligibility of tribes for program benefits. The Indian population may be small and reside in remote locations.

I strongly urge the Congress to provide direct funding to Indian tribes for federal programs that are under consideration for consolidation into block grants. The provision of direct federal funding to tribes, bypassing the State governments, is consistent with the government-to-government relationship between Indian tribes and the Federal government.

Conclusion

This concludes my opening statement, Mr. Chairman. I will be pleased to answer questions of the Committee.